UNITED
NATIONS

A

General Assembly

Distr.
GENERAL

A/AC.109/2050
17 June 1996

ORIGINAL: ENGLISH

SPECIAL COMMITTEE ON THE SITUATION
WITH REGARD TO THE IMPLEMENTATION
OF THE DECLARATION ON THE GRANTING
OF INDEPENDENCE TO COLONIAL COUNTRIES
AND PEOPLES

TOKELAU

Working paper prepared by the Secretariat

CONTENTS

		Paragraphs	Page
I.	GENERAL	1	2
II.	CONSTITUTIONAL AND POLITICAL DEVELOPMENTS	2 - 10	2
	A. Constitutional developments	2 - 6	2
	B. Political developments	7	3
	C. Public service	8 - 10	3
III.	ECONOMIC CONDITIONS	11 - 17	4
IV.	SOCIAL AND EDUCATIONAL CONDITIONS	18	5
V.	FUTURE STATUS OF THE TERRITORY	19 - 20	5
	A. Position of the administering Power	19	5
	B. Position of the people of Tokelau	20	5
VI.	ACTION BY THE GENERAL ASSEMBLY	21	5

96-15156 (E) 200696 220696

TOKELAU 1/

I. GENERAL

1. General information on Tokelau is contained in the previous working paper prepared by the Secretariat (A/AC.109/2022).

II. CONSTITUTIONAL AND POLITICAL DEVELOPMENTS

A. Constitutional developments

2. Detailed information on the Tokelau Constitution as well as on constitutional developments is contained in the previous working papers on Tokelau (A/AC.109/1193, paras. 3-26 and A/AC.109/2022, paras. 5-7) and in the report of the Visiting Mission (A/AC.109/2009).

3. As reported earlier (A/AC.109/2022, paras. 5-6), the General Fono, the national representative body of Tokelau, established a broadly based Special Committee on Constitutional Developments (SCC) at the end of 1994, with a core membership of 30. In March and April 1995, workshops on constitutional developments were held on each atoll by the Tokelau government, with financial support from the United Nations Development Programme (UNDP). The workshops led to a clearer identification of Tokelau's needs in terms of self-determination. SCC is expected to make a first report to the General Fono in June 1996.

4. One of the most important aspects of the present phase of constitutional change in Tokelau is the emphasis on the role of the General Fono. While the General Fono takes all major decisions for Tokelau, including budgetary ones, experience, particularly since 1994, has highlighted the need for the early devolution of legislative power. The principle itself has been under discussion with Tokelau elders for a decade, but until the present phase began, the practical need for Tokelau to hold this power was limited. That practical need, however, was illustrated by a General Fono decision in June 1994 to generate more revenue through a change in taxation arrangements. That power, however, was not held locally, and so Tokelau had to address an appeal to the holder of the power, the Governor-General. This matter was resolved by the New Zealand Government's promulgation of the Tokelau Community Services Order of 1994, which came into force on 1 November 1994.

5. In 1995, planning was undertaken to confer legislative power on the General Fono by means of an amendment to the Tokelau Act of 1948. In May 1996, New Zealand's Parliament passed a Tokelau Amendment Bill. 2/ The Bill makes a number of changes to the Tokelau Act of 1948. It confers on the General Fono the power to make rules for Tokelau, including the power to impose taxes and to declare public holidays; provides that any such rules may be disallowed by the Administrator of Tokelau; amends the Tokelau Act of 1948 as it relates to the sources of law for Tokelau and the jurisdiction of Tokelau Commissioners; and makes other amendments to the Tokelau Act of 1948.

6. The Bill is of substantial significance for both New Zealand, as administering Power, and Tokelau as its Non-Self-Governing Territory. It acknowledges that in recent years Tokelau has been developing its own administrative and decision-making capabilities and moving steadily towards a greater degree of self-government. The main purpose of this Bill is to provide the General Fono of Tokelau, the Tokelauan national representative body, with a subordinate legislative power. This is consistent with New Zealand's obligation, by virtue of its membership in the United Nations, to help facilitate the development of self-government in Tokelau. The existing constitutional relationship with New Zealand is maintained and New Zealand retains the ability to legislate for Tokelau. The Bill equally acknowledges New Zealand's responsibility to Tokelau, the international community, and especially the United Nations, to support and encourage the process.

B. Political developments

7. Detailed information on political developments in the Territory is contained in a previous working paper on Tokelau (A/AC.109/1193) and in the report of the Visiting Mission (A/AC.109/2009). Tokelau has two elective offices, Faipule (joint Chairmen of the General Fono and pulenuku (village mayors). Between 4 and 11 January 1996 three annual elections were held in each atoll, in which three new Faipule were elected to the Council of Faipule for 1996-1998.

C. Public service

8. Information on Tokelau's public service is contained in the previous working paper prepared by the Secretariat (A/AC.109/2022, paras. 9-10).

9. According to information provided by the administering Power, after relocation to the atolls from Apia, the Tokelau Public Service underwent restructuring, with an emphasis on resource-management skills. At present, of the six departments, two are situated on each atoll, while the seventh, the Office of the Council of Faipule, moves each year, reflecting the rotation of the office of Ulu-o Tokelau, head of the Council of Faipule and the highest authority of Tokelau. The Tokelau Apia Liaison Office complements the overall departmental structure. As of 1 April 1995, there were 174 permanent staff. Basic facilities and services that earlier were the domain of the Tokelau Public Service were returned to the villages, helping Tokelauans to perceive the constitutional change process as evolutionary and reassuring, and not as something implanted from outside.

10. The National Strategic Plan serves as the basis on which Departments develop their own plans. The following are the major highlights of the departments' activities in the period under review, as reported by the administering Power: in education, the emphasis is on future human resource needs and the selection process for students going abroad; in health, activities included the extension of Nukunonu hospital to enable it to become a referral unit and the provision of new laboratory and X-ray facilities; in natural resources and environment, there was a promotional campaign to increase the

level of local food consumption; and in public works, there was a shift in the advising role to village councils. In 1995, the first woman was appointed to the Tokelau police force.

III. ECONOMIC CONDITIONS

11. Detailed information on economic conditions in the Territory is contained in the previous working papers on Tokelau (A/AC.109/1193 and A/AC.109/2022) and in the report of the Visiting Mission (A/AC.109/2009).

12. In 1994-1995, locally generated revenue contributed about 25 per cent of the budget, compared with 17 per cent the previous year. Tokelau contributed $NZ 1.46 million in 1994-1995, for the first time an amount of more than one million dollars. Measures were taken to widen the tax base. In June 1995, the General Fono introduced user charges in education and health.

13. Steps were also taken to promote small business development through a Tokelau-funded loan scheme, using funds in a Copra Stabilization Account that had its origins in the 1950s, but has long since been dormant. Such moves are deemed desirable by the administering Power in the context of careful encouragement of the private sector and reduction in the size of government in small, tightly knit communities where family or communal values are emphasized.

14. Tokelau represents a territory with 253 family groups (1991 census). Nearly 200 people receive income directly from the government, including village officials. In addition, 210 people earn much smaller incomes as members of the aumaga, or village workforce. The total earning capacity of the Tokelauan population is estimated at $2 million. According to the administering Power, it costs some $6 million to run Tokelau, particularly to provide for shipping, education (up to the form V level) and health. Isolation and the small population base make such services expensive in relative terms.

15. The New Zealand official development assistance allocation during the period under review was $5.2 million, divided between direct budget support in the amount of $4.3 million, and project assistance of $900,000. The latter increased by $200,000, reflecting the additional costs involved in the establishment of government. Project support continued to be allocated on the basis of requests appraised and endorsed by both parties, Tokelau and New Zealand. Management of the programme is the responsibility of the Development Cooperation Division of the Ministry of Foreign Affairs and Trade.

16. The United Nations Development Programme is providing assistance to Tokelau in its establishment of a modern satellite-based telecommunications system with funding from UNDP and the International Telecommunications Union (ITU), and with parallel funds being provided by both the New Zealand Government and Tokelau. In May 1995, the Telecommunications Project document was signed by the four parties, and the project manager began work soon thereafter.

17. Through assistance from projects in the current UNDP country programmes (1992-1996), Tokelau has become more self-sufficient in its water-supply needs; its disaster preparedness and disaster warning system; its seawall protection

network and its fuel storage capabilities on the atolls. As already reported above (see para. 3), UNDP has assisted Tokelau in developing its capacity in governmental support systems and constitutional development.

IV. SOCIAL AND EDUCATIONAL CONDITIONS

18. Detailed information on social and educational conditions in the Territory is contained in a previous working paper on Tokelau (A/AC.109/1193) and in the report of the Visiting Mission (A/AC.109/2009).

V. FUTURE STATUS OF THE TERRITORY

A. Position of the administering Power

19. The Government of New Zealand is committed to assisting Tokelau to attain a greater degree of self-government and economic self-sufficiency. This commitment was reiterated during the passage of the Tokelau Amendment Bill in May 1996 which underlies New Zealand's formal role in support of Tokelau as it establishes its own national government to take over from the New Zealand agencies. Members of Parliament from both sides of the House praised the Bill as a significant step for the people of Tokelau. It is the stated intention of the administering Power to be guided by the wishes of the Tokelauan people. The incoming Council of Faipule has been assured of the continuing interest and support of the New Zealand Government in Tokelau's development of self-government and of New Zealand's firm commitment to assisting Tokelau on an ongoing basis once an act of self-determination has been made.

B. Position of the people of Tokelau

20. The issue of self-determination is now under active consideration by the people of Tokelau, who have expressed a strong preference for a status of free association with New Zealand (see A/AC.109/2009, para. 106). In a reply dated 14 February 1996 to the message of the New Zealand Administrator of Tokelau, Ulu-o-Tokelau stated that "the political process that Tokelau is engaging in, and has done so over the last three years, reflects accurately the wishes and the aspirations of the people of Tokelau. It is a Tokelauan driven process. Tokelau is keen for the outside world to know of this." Tokelau has set no timetable for an act of self-determination, but it would continue to discuss with New Zealand the shape that a future relationship of free association might take.

VI. ACTION BY THE GENERAL ASSEMBLY

21. On 6 December 1995, the General Assembly adopted resolution 50/38 B, a consolidated resolution on 12 Non-Self-Governing Territories, section X of which was specifically devoted to Tokelau.

Notes

1/ The information contained in the present paper has been derived largely from information transmitted to the Secretary-General by the Government of New Zealand under Article 73 e of the Charter of the United Nations in August 1995 and information provided to the Secretariat by the Permanent Mission of New Zealand to the United Nations in May 1996. The present working paper is an update of the working paper on Tokelau prepared by the Secretariat in 1995 (A/AC.109/2022).

2/ South Pacific - Radio Australia news summary, 24 May 1996.

UNITED
NATIONS

A

General Assembly

Distr.
GENERAL

A/AC.109/2051
17 June 1996

ORIGINAL: ENGLISH

SPECIAL COMMITTEE ON THE SITUATION WITH
REGARD TO THE IMPLEMENTATION OF THE
DECLARATION ON THE GRANTING OF
INDEPENDENCE TO COLONIAL COUNTRIES
AND PEOPLES

TURKS AND CAICOS ISLANDS

Working paper prepared by the Secretariat

CONTENTS

		Paragraphs	Page
I.	GENERAL	1	3
II.	CONSTITUTIONAL AND POLITICAL DEVELOPMENTS	2 - 5	3
	A. Constitutional developments	2 - 3	3
	B. Political parties, elections and public service	4 - 5	3
III.	ECONOMIC CONDITIONS	6 - 22	4
	A. General	6 - 9	4
	B. Public finance	10 - 11	4
	C. Offshore and insurance business	12 - 14	4
	D. Land tenure, agriculture and livestock	15	5
	E. Fisheries	16 - 17	5
	F. Tourism	18 - 21	5
	G. Communications and other basic facilities	22	6

96-15174 (E) 200696 250696

/...

CONTENTS (continued)

		Paragraphs	Page
IV.	SOCIAL CONDITIONS	23	6
V.	PARTICIPATION IN INTERNATIONAL ORGANIZATIONS/ ARRANGEMENTS	24 - 25	6
VI.	FUTURE STATUS OF THE TERRITORY	26 - 27	6

TURKS AND CAICOS ISLANDS 1/

I. GENERAL

1. Information on the Territory's geographical features is contained in the previous working paper prepared by the Secretariat (A/AC.109/2015, paras. 1-2). The total population of the Territory was 13,800 in 1994. 2/

II. CONSTITUTIONAL AND POLITICAL DEVELOPMENTS

A. Constitutional developments

2. A summary of the Constitution of 1988 and the proposed changes in the basic law of the Territory are contained in a previous working paper on the Turks and Caicos Islands prepared by the Secretariat (A/AC.109/1185, paras. 3, 4 and 7-9).

3. In March 1996, the ruling and opposition party leaders joined in a petition addressed to the Government of the United Kingdom of Great Britain and Northern Ireland that Governor Martin Bourke be recalled by the administering Power for the remarks attributed to him in a major offshore reference manual. The Territory's leaders accused the Governor of painting a picture of the Turks and Caicos Islands as being a lawless and corrupt society, thereby undermining its reputation in the international community and severely prejudicing its ability to compete as an offshore finance jurisdiction and as a tourist destination. On 2 April 1996, the administering Power firmly rejected this petition. The British Foreign Office said that the Governor had acted in accordance with his constitutional duties. 3/

B. Political parties, elections and public service

4. Information on the political parties, elections and public service is contained in the previous working paper prepared by the Secretariat (A/AC.109/2015, paras. 4-6).

5. At the end of November 1995, three prominent political figures from different parties formed an Action Committee for Political Independence, saying that their goal was to "educate the population to the disadvantages of the present colonial status and benefits of independence". The Committee's Chairman is Mr. Oswald Skipping, Minister of Communications, Transport, Tourism, Information and Caribbean Community (CARICOM) Affairs. The former Minister of Commerce, Development and Tourism, Mr. Stafford Hissick, is Secretary-General, and Mr. Wendall Swan, leader of the United Democratic Party (UDP), is the Committee's public relations officer. 4/

III. ECONOMIC CONDITIONS

A. General

6. Located in a strategic position in the middle of the Caribbean, the Turks and Caicos Islands has a small but vibrant open economy, depending in large measure on tourism and offshore financial services. The Territory maintains a healthy fishing industry and provides increasing opportunities for agriculture, mariculture and value-added processing. In addition, retired professionals are being attracted to the islands in significant numbers.

7. The Territory's economy is one of the fastest growing in the Caribbean, with the gross domestic product increasing at an average of 7.9 per cent over the seven-year period ending in 1993. Although this slowed to an estimated 4.5 per cent in 1994, the Turks and Caicos still has the third fastest growing economy in the Caribbean. Performance generally reflected strong growth in tourism and in offshore financial services, as well as increased domestic investment, with the gross domestic product recorded at US$ 90.2 million.

8. Inflation was an area of concern in the management of the economy, with prices tracking the economy of the United States of America and increasing by an estimated 3.0 per cent during the year. There is limited scope for controlling inflation owing to the fact that almost all goods are imported, and economic activity in the exporting country has a direct impact on prices in the Territory. The increase in consumer prices in 1994 was marked, particularly on Providenciales where double-digit real growth rates have been experienced for the past five years.

9. In addition to programmes directed towards stimulating private-sector activity, the Government has embarked on an aggressive programme to strengthen financial management in the public sector, including efforts to increase revenue. 5/

B. Public finance

10. Information on public finance in the Territory is contained in the previous working paper prepared by the Secretariat (A/AC.109/2015, paras. 10-13).

11. It was reported in February 1996 that the Caribbean Development Bank (CDB) had approved a $1.8 million loan to assist the Turks and Caicos Investment Agency (TCIA) in continuing its lending activities to support agriculture, industry, tourism, housing and student loans. 6/

C. Offshore and insurance business

12. The offshore financial services industry of the Territory has enjoyed continuous growth for the past decade and has gained increasing popularity and reputation amongst companies and individuals. The Territory is a true "zero tax" haven with no taxes whatsoever on income, capital gains, corporate profits, inheritance or estates.

13. The Territory possesses some of the most modern financial services legislation, and has become a leader in captive insurance and re-insurance in the Caribbean. Government fees are more attractive than in most competing jurisdictions, and the financial services infrastructure is broadly based and well managed.

14. The number of registered companies has increased in recent years, with the total reaching 13,000 in 1994, including 1,674 licensed insurance companies. The Territory's Financial Services Commission earned revenues of approximately $3 million in 1994. 5/

D. Land tenure, agriculture and livestock

15. Agricultural production is small, and at present is concentrated on North Caicos. There are plans to commence hydroponics gardening on Providenciales and Grand Turk. In addition, Belize Holding Inc., a private company, has opened a rice milling facility on Grand Turk for the processing of raw rice from Belize, Guyana and Suriname for duty-free export to countries members of the European Union.

E. Fisheries

16. There is a small but buoyant fishing industry in the Territory, with main export products including lobster, conch and scale-fish. In 1994 exports (largely to the United States) totalled $2.1 million for lobster and $1 million for conch. There is every indication that there is great potential for further expansion and development of marine resources.

17. The Turks and Caicos Islands has the world's only commercial conch farm raising domestic conch for export. The farm has been conducting research for the past decade and expects to reach full commercial production in 1996. Several other fish farms are being developed on an experimental basis. 5/

F. Tourism

18. The Territory is enjoying growing popularity as a prime tourist destination with outstanding white beaches, beautiful coral reefs and a variety of historical attractions. It is considered one of the world's top five diving destinations, with major underwater attractions such as the "Wall", a 7,000-foot vertical subsea trench located offshore from Grand Turk Island.

19. The Territory's tourism sector began serious development with the opening of a Club Mediterranée a decade ago, followed by the Turquoise Reef Club on Providenciales in 1990. At that time, the Territory's Government began an aggressive programme of targeted marketing with the creation of the independent Tourist Board and the hiring of full-time marketing and promotion personnel. In 1994 the Tourist Board launched its first major promotional campaign in the United States, and marketing efforts into Europe have been intensified.

20. In 1994, tourist arrivals were up 13.7 per cent to almost 72,000 visitors. Tourism from North America (representing almost 70 per cent of visitors) remained strong, and promotional activities in Europe have resulted in a rapid growth in arrivals from Europe. The tourism industry benefited from the upgrade by American Airlines of its aircraft to a larger capacity model and the increase in the number of flights from seven to nine weekly. In addition, there is increased regional service and daily air service to Florida on commuter aircraft. 5/

21. The tourism sector benefited from the opening of a series of hotels, resorts and casinos. On 1 October 1995, the $30 million 250-room Royal Bay Resort and Villas was commissioned by its owner, Zurich Bank of Canada. Later, the property was sold to Sandals, a tourist company that renamed it Sandals Turks and Caicos. 6/ A new 100-room five-star hotel on Parrot Cay is expected to be finished in July 1996. The Government has commenced construction of a new airport terminal on Providenciales on a joint venture basis with a major local private-sector firm. 5/

G. Communications and other basic facilities

22. Information on communications and other basic facilities is contained in a previous working paper on the Territory prepared by the Secretariat (see A/AC.109/1185, paras. 40-44).

IV. SOCIAL CONDITIONS

23. Information on social conditions in the Territory is contained in previous working papers prepared by the Secretariat (see A/AC.109/1185, paras. 57-72, and A/AC.109/2015, paras. 28-32).

V. PARTICIPATION IN INTERNATIONAL ORGANIZATIONS/ARRANGEMENTS

24. Information on the Territory's participation in international organizations/arrangements is contained in the previous working paper prepared by the Secretariat (A/AC.109/2015, paras. 33-35).

25. The United Nations Development Programme (UNDP) is providing development assistance to the Territory in accordance with its third country programme for the Turks and Caicos Islands, approved by the UNDP Governing Council in February 1993. A summary of UNDP assistance projects is contained in document A/AC.109/2015/Add.1.

VI. FUTURE STATUS OF THE TERRITORY

26. A summary of the position of the administering Power towards its dependent Territories is contained in previous working papers prepared by the Secretariat (A/AC.109/1137, para. 17, A/AC.109/1139, para. 17, and A/AC.109/1180,

paras. 30-36). For statements during the fiftieth session of the General Assembly, see document A/AC.109/2043, paragraphs 41-43.

27. On 6 December 1995, the General Assembly adopted resolution 50/38 B, a consolidated resolution on 12 Non-Self-Governing Territories, section XI of which was specifically devoted to the Turks and Caicos Islands.

Notes

1/ The information contained in the present paper has been derived from published reports. The facts and figures presented in the working paper are the latest information available.

2/ 1996 Caribbean Basin Commercial Profile, p. 354.

3/ Caribbean Update, April and May 1966.

4/ Caribbean Insight, January 1996, p. 10.

5/ 1996 Caribbean Basin Commercial Profile, p. 353.

6/ Caribbean Update, February 1996.

UNITED
NATIONS

A

General Assembly

Distr.
GENERAL

A/AC.109/2052
17 June 1996

ORIGINAL: ENGLISH

SPECIAL COMMITTEE ON THE SITUATION
WITH REGARD TO THE IMPLEMENTATION
OF THE DECLARATION ON THE GRANTING
OF INDEPENDENCE TO COLONIAL
COUNTRIES AND PEOPLES

MONTSERRAT

Working paper prepared by the Secretariat

CONTENTS

		Paragraphs	Page
I.	GENERAL	1 - 3	2
II.	CONSTITUTIONAL AND POLITICAL DEVELOPMENTS	4	2
III.	ECONOMIC CONDITIONS	5 - 12	2
IV.	SOCIAL AND EDUCATIONAL CONDITIONS	13	3
V.	PARTICIPATION IN REGIONAL ORGANIZATIONS AND ARRANGEMENTS	14	3
VI.	FUTURE STATUS OF THE TERRITORY	15 - 17	4
VII.	SITUATION FOLLOWING THE ERUPTION OF SOUFRIERE HILLS VOLCANO	18 - 28	4

96-15162 (E) 240696 250696

/...

MONTSERRAT 1/

I. GENERAL

1. Montserrat is situated in the Leeward Islands in the eastern Caribbean, 43 kilometres south-west of Antigua and 64 kilometres north-west of the French Overseas Department of Guadeloupe. It has a maximum length of 18 kilometres and a maximum width of 11 kilometres, and covers an area of 103 square kilometres. The capital of Montserrat is Plymouth.

2. Montserrat is mountainous and of volcanic formation. In July 1995, Soufriere Hills volcano, dormant for more than 400 years, erupted, causing evacuation of more than a third of Montserrat's population from the southern part of Montserrat to its northern "safe" areas in August 1995.

3. As at May 1996, in the eleventh month of intensive volcanic activity, the Territory is facing an uncertain future with a substantial part of its population relocated and its economy disrupted. The problems caused by the volcanic eruption compounded the Territory's difficult recovery from severe damage caused by hurricane Hugo in 1989 and hurricanes Luis and Marilyn which struck Montserrat in early September 1995, the latter causing damage estimated at $5 million.

II. CONSTITUTIONAL AND POLITICAL DEVELOPMENTS

4. Information on constitutional and political developments in the Territory is contained in the previous working paper prepared by the Secretariat (A/AC.109/2019, paras. 5-16).

III. ECONOMIC CONDITIONS

5. The short review of economic conditions in the Territory which follows covers activities before the eruption of Soufriere Hills volcano in July 1995, which severely disrupted the everyday life of the inhabitants of Montserrat.

6. During 1994, the economy of the island experienced slight growth with improved performance in the main sectors - tourism, construction, manufacturing and agriculture. Efforts to constrain recurrent expenditure resulted in improved fiscal performance, and indirect tax collection benefited from the increased import levels brought about by the general improvement in economic performance.

7. Total production of the major agricultural crops increased in 1994 in comparison with the previous year by about 6 per cent. The Government continued to encourage diversification and increased productivity of food crops, for both domestic consumption and export. The agricultural sector accounted for under 10 per cent of Montserrat's gross domestic product in 1994.

8. Construction activity in 1994 was dominated by public sector investment, but was well supported by private sector projects. Work continued on the rehabilitation of the old and new Glendon hospitals, and the construction of the new Government headquarters building. Rehabilitation of the Bethel Primary School and the Cork Hill Road was substantially completed as well. New activity in 1994 included start-up of construction on the Teacher Resource Centre and Harris Primary School. Private sector activity in 1994 included work on a new rice milling facility, which commenced operations in 1995.

9. In the field of financial services, the Government was considering the development of the offshore sector, concentrating principally on the registration of international business companies. The objective was to rebuild the financial services sector in an environment emphasizing compliance with the laws of Montserrat and the existing international conventions of which the island is a signatory.

10. In 1994 there were clear signs of recovery in the manufacturing sector, with increased production and export of electronic parts and plastic furniture. Domestic exports for 1994 totalled EC$5.8 million, compared with EC$1.5 million in 1993, an increase of almost 20 per cent. Electrical parts exported to Ireland and the United States of America, and plastic furniture to the Caribbean Community (CARICOM) market, represented the major portion of total exports.

11. In 1994, the tourism sector represented the most important source of economic activity for Montserrat, with total visitor arrivals increasing by 13 per cent. The total number of visitors that year was 36,267. The number of stay-over visitors increased by 8 per cent, to 23,605. The number of visitors from the United States increased by 22 per cent in 1994. Overall visitor arrivals by sea amounted to 13,308 in 1994, representing a 39 per cent increase. The completion of jetty rehabilitation works at the port has contributed to the recovery in cruise ship tourism. In 1994 there were projections for continuing strong growth in 1995 and 1996.

12. The outlook for sustained improvement of the economy of Montserrat was positive. A detailed programme for the reorganization of the offshore financial sector was formulated during 1995, with forecasts for good growth prospects. Construction of a mineral water bottling plant was scheduled for late 1995, and both regional and international export markets have been targeted for product sales. 2/

IV. SOCIAL AND EDUCATIONAL CONDITIONS

13. Information on social and educational conditions in the Territory is contained in the previous working paper prepared by the Secretariat (A/AC.109/2019, paras. 48-56).

V. PARTICIPATION IN REGIONAL ORGANIZATIONS AND ARRANGEMENTS

14. The Territory continues to be a member of CARICOM and the Organization of Eastern Caribbean States (OECS), as well as of the institutions associated with

both groups, including the University of the West Indies, the Caribbean Development Bank (CDB) and the Eastern Caribbean Central Bank (ECCB). Montserrat is an associate member of the Economic Commission for Latin America and the Caribbean and its subsidiary bodies. The Territory is represented at the meetings of the Caribbean Group for Cooperation in Economic Development, sponsored by the World Bank.

VI. FUTURE STATUS OF THE TERRITORY

Position of the territorial Government

15. The position of the territorial Government on the future political status of Montserrat was outlined in a previous working paper on the Territory prepared by the Secretariat (A/AC.109/1137, paras. 13-16). To summarize, the Chief Minister reportedly stated that independence was not a priority; as the Territory became more economically self-reliant, it would then be in a position to move towards independence. He expressed a preference for the Territory to become independent within an OECS political union, an idea that is currently under consideration. That position remained unaltered during the period under review.

Consideration by the General Assembly

16. A summary of the position of the administering Power towards its dependent Territories is contained in previous working papers prepared by the Secretariat (A/AC.109/1137, para. 17; A/AC.109/1180, paras. 30-36; and A/AC.109/2043, paras. 41-43).

17. On 6 December 1995, the General Assembly adopted resolution 50/38 B, a consolidated resolution on 12 Non-Self-Governing Territories, section VII of which was specifically devoted to Montserrat.

VII. SITUATION FOLLOWING THE ERUPTION OF SOUFRIERE HILLS VOLCANO

18. According to the information provided by the Secretary of State for Foreign and Commonwealth Affairs to the House of Commons in February 1996, the administering Power, through the official aid programme, had committed £4.6 million since July 1995 to meet the emergency caused by the volcanic eruption. Monitoring and assessment of the existing funding is accomplished through the Governor's office, which is assisted by a full-time consultant from the Overseas Development Administration and visits from the regional office in Barbados. The Secretary of State stated that further funds would be made available if necessary. He also estimated that up to 1,000 Montserratians had left the island, most of whom were working elsewhere in the Caribbean. There were no figures available on the number of households involved. The administering Power also formulated a range of plans for different situations and the lessons learned from two recent evacuations into the northern safe zone were influencing continuing preparations for any third such event. According to the Secretary of State, owing to the cooperation of the Government of Antigua, facilities exist on Antigua should evacuation of Montserrat be necessary. 3/

19. Following the volcano's eruption, the United Nations Development Programme Resident Representative effectively coordinated response measures with the assistance of the United Nations disaster management team and in close cooperation with the office of the Governor.

20. The Government of Montserrat continued to focus attention on making the designated safe area of Montserrat not only a comfort zone, but a new centre of life and business. National initiatives included the erection of prefabricated buildings to alleviate the strain on community centres, church and school buildings which have been converted to temporary shelters; the construction of an ancillary hospital; establishment of a safe area power station; upgrading fuel storage; acquisition of land for the relocation of livestock farms; road repairs; programmes for sports and culture, counselling and guidance. The business community and non-governmental organizations have submitted their plan of action for government support as they maintain efforts to rejuvenate business outlets opened in the north since July 1995.

21. Implementation of the wide range of contingency measures for both the private and public sectors on Montserrat is effectively creating a new centre of activity on about 20 square miles of land in north Montserrat. No plan for mass off-island evacuation for the some 10,000 people of this 39.5 square mile Caribbean island is being implemented. The Government is however facilitating a system of voluntary evacuation which has gained the support of the British and CARICOM Governments.

22. Chief Minister Reuben Meade says his Government is amenable to offering Montserratians a range of options for dealing with the current crisis. He believes that advantage of the voluntary evacuation option may be taken by "a number of residents while others may wish to stay and struggle it out and continue with the rebuilding process". According to the Chief Minister, there is no wish to hold people hostage to a situation from which they can take a break and return later to rejoin the island's redevelopment programme.

23. Arrangements for voluntary evacuation to the United Kingdom include eligibility for employment, income support, housing and enrolment of Montserratian children in British schools for two years in the first instance. Non-Montserratian residents who have been living on the island for a long time are also being considered on a case-by-case basis.

24. The latest response comes amidst concerns about the increasing strain being put on the sparse infrastructure in the north as scientists at the Montserrat Volcano Observatory maintain that the current state of instability at the Soufriere Hills volcano could persist over months or years. Governor Frank Savage reaffirmed at a press conference on 23 April 1996 that the British relief effort does not indicate a move towards off-island evacuation for everyone.

25. While residential areas, mainly on the flanks of the volcano comprising Montserrat's east, west and south coast, remain danger areas, a 1987 Wadge and Isaac's study/report on the Soufriere Hills volcano has been reviewed and validated by the Montserrat Volcano Observatory. The Observatory's current hazard map designates the north as a safe haven even in a worst-case eruption

scenario. The Government and most of the island's population remain confident that north Montserrat is a safe area. The Head of the Observatory, William Ambeh, believes that a complete off-island evacuation would not be necessary.

26. Since 3 April 1996, some 1,381 residents of Montserrat have been living in shelters. Another 3,000 people are renting accommodation or sharing the homes of friends and relatives in areas stretching from Cork Hill north across St. John's to the W. H. Bramble airport, which remains open. 4/

27. The Government Information Unit of Montserrat reported that on 12 May 1996 an increase in volcanic activity occurred with major ashclouds and ashfalls associated with three pyroclastic flows in the Tar River area of east Montserrat. At least one flow was reported to have entered the sea. The major ashfalls also affected areas within the designated safe zone including Cork Hill, Weekes', Olveston and Barzey's in the island's north. 5/

28. According to the latest available Daily Report prepared by the Observatory (29 May 1996), the current level of activity at the Soufriere Hills volcano continues to cause concern to the scientists. 6/

Notes

1/ The information contained in the document has been derived from published reports. This working paper is an update of the previous working paper prepared by the Secretariat (A/AC.109/2019 and Add.1).

2/ 1996 Caribbean Basin Commercial Profile, p. 266.

3/ House of Commons. Official Report. Parliamentary Debates (Hansard), 26 February 1996, col. 331.

4/ Government Information Unit. Volcano Alert: Overseas Resettlement Relief for Montserratians, 24 April 1996.

5/ Government Information Unit. Volcano Alert: Pyroclastic Flows and Major Ashfalls, 12 May 1996.

6/ Montserrat Volcano Observatory, Daily Report. Report for the period 16:00 28 May to 16:00 29 May 1996.